GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:662
ANSWERED ON:24.07.2003
ONGC INVESTMENT IN SUDAN
VINAY KUMAR SORAKE

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the ONGC Videsh Limited has imprudently invested huge amount in a Sudanese venture without assessing the political risks;

(b) if so, whether Sudan is high on US hit-list post-Iraq;

(c) whether the ONGC Videsh Limited has secured a Political risk insurance cover to safeguard its investments in Sudan covering war, terrorism and expropriation;

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

(a) : No, Sir. ONGC-Videsh Limited (OVL) has purchased 25% stake in the Greater Nile Oil Project (GNOP) in Sudan from Talisma Energy Inc., Canada on 12th March 2003, after due assessment of the risks and the mitigating factors.

(b) : No, Sir.

(c) & (d) : OVL has informed that they have taken standard political risk insurance policy covering confiscation, expropriation, nationalization and selective discrimination to the extent available.